

**MEETING OF THE MASSACHUSETTS  
CLEAN WATER TRUST  
BOARD OF TRUSTEES**

February 8, 2017  
1:30 PM

Conference Room  
3 Center Plaza, Suite 430  
Boston, Massachusetts

**MINUTES**

**Attendees:** James MacDonald, First Deputy Treasurer, Office of the State Treasurer  
Rachel Madden, Executive Office for Administration and Finance  
Steven McCurdy, Director of Municipal Services, MassDEP

**Also Present:** Sue Perez, Executive Director, MCWT  
Nate Keenan, Deputy Director, MCWT  
Bernard Greene, Senior Legal Counsel, MCWT  
My Tran, Treasurer, MCWT  
William Kalivas, Treasury Specialist, MCWT  
Sally Peacock, Controller, MCWT  
Pamela Booker, Accountant, MCWT  
Heidi Walsh, Program Associate, MCWT  
Jane Peirce, Deputy Director of Municipal Services, MassDEP

**CALL TO ORDER:** The meeting was called to order by Mr. MacDonald at 1:30 PM.

Item #1

**MOTION- VOTE**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of acceptance and approval of minutes of the meeting held on January 4, 2017.

Item #2

**REPORT OF THE EXECUTIVE COMMITTEE**

Ms. Perez reported on the following:

The Trust will be going to market with its Series 20 Bonds and a refunding issue approximately March 21. The procurements of bond counsel and the underwriting syndicate have been completed as shown in the recommendations to the Board distributed with the meeting materials. Because of the expected complexity of the Series 20 issue, the underwriters were asked questions related to the tax implications of having reserve funds in U.S. Treasury and Agency bonds instead of guaranteed investment contracts. Only two of the responding banks gave answers that showed they understood the tax issues. The two were Bank of America – Merrill Lynch and Stifel Nicolaus. The underwriters were also asked about issuing the bonds as green bonds to assess their knowledge of the marketing of green bonds. Bank of America – Merrill Lynch was selected as senior managing underwriter and Stifel Nicolaus, Citi Bank and JP Morgan were included as co-senior managers. Bond counsel was selected from four firms that responded and the Trust selected Mintz Levin. Mintz Levin has worked as bond counsel for a majority of Trust financings and understands how the Trust operates. They will continue to serve as program counsel.

Mr. McCurdy reported on the following:

The final testing of schools for the lead in school water program was completed this weekend. Lab work is being completed and a report on the program is expected within a month.

Item # 3

**MOTION - VOTE REQUESTED**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of the following:

***Approval of Resolution Authorizing the Issuance of Bonds***

1. That the Executive Director is hereby authorized to provide for the issuance by the Massachusetts Clean Water Trust of one or more series of State Revolving Fund Bonds (the “Bonds”) to be sold by negotiated sale and issued for the purpose of financing or refinancing costs of water pollution abatement and drinking water projects for governmental units and other eligible borrowers, and in furtherance thereof the Executive Director, with respect to the issuance of the Bonds, is hereby delegated all powers of the Board of Trustees of the Trust under Section 9 of Chapter 29C of the Massachusetts General Laws.
2. That the Executive Director and such other officers of the Trust as the Executive Director may designate are hereby authorized to do any and all acts and things and to approve, adopt, execute, and deliver any and all documents, certificates, notices, and other instruments as the Executive Director or any such officer shall determine to be necessary or desirable in connection with the issuance of the Bonds, including, without limitation (a) one or more supplemental trust agreements providing for the issuance of the Bonds, (b) a preliminary and final official statement with respect to the sale of the Bonds to prospective investors, (c) continuing disclosure certificates, (d) tax certificates, (e) agreements providing for the investment of the proceeds of the Bonds, and (f) such other agreements, certificates, notices, and other instruments as determined by the Executive Director, with the advice of bond counsel to the Bonds, to be necessary or convenient for the successful issuance and sale of the Bonds.
3. That the Executive Director and such other officers of the Trust as the Executive Director may designate are hereby authorized to perform all such further steps and actions and undertake all such further arrangements necessary to accomplish the foregoing.

Item # 4 **MOTION - VOTE REQUESTED**

The motion was made by Ms. Madden, seconded by Mr. McCurdy and **voted unanimously in favor** of the following:

***Authorization for the Engagement of Bond Counsel***

1. That the recommendation of the Procurement Management Team, established pursuant to the Trust's Request for Responses: Bond Counsel Legal Services, dated January 10, 2017 (the "BC-RFR"), previously distributed to the Board, is hereby approved.
2. That the Board hereby delegates to the Executive Director all necessary power and authority to negotiate and reach agreement with the selected bond counsel and to execute and deliver such contracts or agreements supplementing the Contract Documents of the BC-RFR, and to take all such further steps and actions necessary to finalize the engagement of said bond counsel.

Item # 5 **MOTION - VOTE REQUESTED**

The motion was made by Ms. Madden, seconded by Mr. McCurdy and **voted unanimously in favor** of the following:

***Approval for the Selection of Underwriter***

1. That the recommendation of the Procurement Management Team, established pursuant to the Trust's Request for Responses: Underwriting Services, dated January 17, 2017 (the "UW-RFR") for the negotiated sale of the Trust's Series 20 Bonds, previously distributed to the Board, is hereby approved.
2. That the Board hereby delegates to the Executive Director all necessary power and authority to negotiate and reach agreement with the lead underwriter, on behalf of the underwriting syndicate, and to execute and deliver to the lead underwriter a bond purchase agreement for the sale of the Series 20 Bonds.
3. That the Board further delegates to the Executive Director all necessary power and authority to execute and deliver such other agreements, certificates, notices, and other instruments as the Executive Director deems necessary to ensure the successful sale of the Series 20 Bonds.

Item #6

**MOTION- VOTE**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of acceptance of the following:

***Clean Water Loan Commitments***

<b><u>PAC No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
CW-15-30	MWRA	\$2,031,614 <sup>1</sup>	2%
CW-15-32	MWRA	\$2,496,267 <sup>2</sup>	2%
CW-16-43	MWRA	\$2,000,000	2%
CW-17-01	Nantucket	\$14,954,000	2%

Item #7

**MOTION- VOTE**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of acceptance of the following:

***Drinking Water Loan Commitment***

<b><u>PAC No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
DW-17-01	Eastham	\$13,114,000	2%
DW-15-04	MWRA	\$12,404,988 <sup>3</sup>	2%
DW-15-13	MWRA	\$7,474,691 <sup>4</sup>	2%
DW-15-14	MWRA	\$10,713,039 <sup>5</sup>	2%
DW-17-02	New Bedford	\$3,295,000	2%

Item #8

**MOTION- VOTE**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of acceptance of the following:

***Clean Water Loans/ Local Government Obligations and Financing Agreements***

<b><u>PAC No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
CWP-16-10	Fitchburg	\$21,214,360	2%
CW-16-13	Lowell RWU	\$6,839,570	2%
CW-15-27	MWRA	\$3,038,178	2%
CW-15-28	MWRA	\$1,176,680	2%
CW-15-30	MWRA	\$2,031,614	2%
CW-15-32	MWRA	\$2,496,267	2%
CW-14-26-A	Taunton	\$4,320,918	2%

<sup>1</sup>First Revision. Original PAC amount was \$1,000,000.

<sup>2</sup>First Revision. Original PRA amount was \$1,000,000.

<sup>3</sup>First Revision. Original PAC amount was \$1,000,000.

<sup>4</sup>First Revision. Original PRA amount was \$4,900,000.

<sup>5</sup>First Revision. Original PRA amount was \$1,000,000.

Item #9

**MOTION- VOTE**

The motion was made by Mr. McCurdy, seconded by Ms. Madden and **voted unanimously in favor** of acceptance of the following:

*Drinking Water Loans/ Local Government Obligations and Financing Agreements*

<b><u>PAC No.</u></b>	<b><u>Borrower</u></b>	<b><u>Amount</u></b>	<b><u>Equivalent Interest Rate</u></b>
DW-15-04	MWRA	\$12,404,988	2%
DW-15-12	MWRA	\$516,897	2%
DW-15-13	MWRA	\$7,474,691	2%
DW-15-14	MWRA	\$10,713,039	2%
DW-15-08	Stockbridge	\$1,800,000 <sup>6</sup>	2%

**OTHER BUSINESS:** None

**ADJOURN:** Seeing no other business, at 1:45 PM the motion to adjourn was made by Mr. MacDonald, seconded by Ms. Madden and voted unanimously in favor.

**LIST OF DOCUMENTS AND EXHIBITS USED:**

1. January 4, 2017 Minutes
2. Bond Counsel Recommendation
3. Request for Responses to serve as Bond Counsel
4. Underwriter Recommendation
5. Underwriter Request for Responses: Senior Managing Underwriter Massachusetts Clean Water Trust Series 20 Green Bonds
6. Project Descriptions

<sup>6</sup>First Revision. Original PRA amount was \$1,163,688.

